



# Director's Rule 3-2014

<b>Applicant:</b>  City of Seattle Department of Planning and Development	<b>Page</b>  1 of 5	<b>Supersedes:</b>  9-2012
	<b>Publication:</b>  March 3, 2014	<b>Effective:</b>  May 7, 2014
<b>Subject:</b>  Updates to State Environmental Policy Act (SEPA) Review Thresholds for Infill Residential and Mixed-Use Development in Urban Centers and Certain Urban Villages	<b>Code and Section Reference:</b>  SMC 25.05.800.A.2	
	<b>Type of Rule:</b>  Code Interpretation	
	<b>Ordinance Authority:</b>  SMC 3.06.040	
<b>Index:</b>  City of Seattle Environmental Policies and Procedures	<b>Approved</b>	<b>Date</b>
	<hr/> Diane M. Sugimura, Director, DPD	

## Purpose

This rule contains the thresholds for environmental review pursuant to the State Environmental Policy Act (SEPA) that are in effect in all Urban Centers, and those Urban Villages that contain a light rail Station Area Overlay District (SAOD). These review levels may be adjusted over time as required by state law. Any changes in the thresholds will occur on a quarterly basis and be based on the permits issued in the applicable areas for residential and mixed-use (residential and commercial) development. If Comprehensive Plan growth estimates in a given area are met, this would trigger a reduction in the SEPA thresholds.

## Background

Seattle's categorical exemption levels (review thresholds) were adjusted in 2012 for Urban Centers, and Urban Villages that contain light rail stations. The SEPA provisions in the Revised Code of Washington (RCW 43.21C.229) provide the opportunity for higher SEPA categorical

exemption levels (review thresholds) for infill development, within areas that have not met growth estimates contained in a Comprehensive Plan.

This Rule contains SEPA categorical exemption levels, until superseded by a successor rule. The Rule also describes the process that DPD will follow to monitor growth and publish updated exemption levels. Also see Director's Rule 12-2012 for other information on SEPA thresholds and their applicability to various kinds of permits.

The eligible growth areas are defined as Urban Centers, and those Urban Villages that contain a SAOD. Both of these kinds of areas have growth estimates expressed in the Comprehensive Plan for residential growth (in terms of dwelling units added and the resulting density). The City also defines employment growth estimates (in terms of net job growth and jobs/acre "intensity") for the Urban Centers and "Hub Urban Villages," which includes the North Rainier Hub Urban Village that contains a SAOD. These currently address growth for the period between 2004 and 2024, although these are expected to change in 2015 when a Comprehensive Plan update is completed.

The SEPA categorical exemptions are listed in SMC 25.05.800 and include reference to required "cushions" to ensure they apply properly to the growth areas. The "cushions" are defined as being at least 10% of the size of the growth area's residential growth estimate and employment growth estimate:

- This means that the SEPA thresholds must be changed if a quarterly report finds that residential growth exceeds 90.0% of the area's residential growth estimate.
- The same is true if net employment growth exceeds 90.0% of the area's employment growth estimate.

Residential and employment growth for the purposes of this rule are defined as follows:

- Residential growth is the combination of completed net dwelling unit growth plus net new dwelling units in projects that have received a building permit but are not yet fully constructed.
- Employment growth is the net amount of added jobs, compared to a 2004 baseline, for a given area. This employment information is based on data reported by applicable agencies other than DPD (including the Washington State Employment Security Department and Puget Sound Regional Council), and may be adjusted based on other information that provides more detail on growth in a particular growth area.

When a growth area's residential or employment growth estimate has been achieved at the 90% level (which recognizes the required "cushion"), the SEPA thresholds will be individually adjusted downward according to which growth estimate has been reached or exceeded. As defined in Table A and Table B for 25.05.800, the adjusted threshold level will be 20 dwelling units for residential uses. If the employment growth estimate has been reached or exceeded, the adjusted threshold level will be 12,000 square feet of non-residential space in a mixed-use development, in most zones.

## Growth Tracking and Reporting

On a quarterly basis, DPD staff will monitor and report growth in relation to established growth estimates. If updates to the exemptions are needed, a draft version of the rule will be available one month before the final rule is in effect upon signature of the Director.

Upon initial tabulation shortly after the quarter is completed, DPD staff in the ensuing few weeks will review the data to verify the current status of growth in relation to the growth estimates for the Urban Centers and Urban Villages. Any changes to SEPA thresholds will commence at the completion of the following calendar quarter: July 1<sup>st</sup> in response to first quarter data, October 1<sup>st</sup> in response to second quarter data, January 1<sup>st</sup> in response to third quarter data, and April 1<sup>st</sup> in response to fourth quarter data.

## Rule

As of April 1, 2014, the following exemption levels apply in the affected Urban Centers and Urban Villages as listed below.

<b>Table A for 25.05.800: Exemptions for Residential Uses</b>			
<b>Zone</b>	<b>Residential Uses</b>		
	<b>Number of Exempt Dwelling Units</b>		
	<b>Outside of Urban Centers, and Outside Urban Villages Containing SAODs</b>	<b>Within Urban Centers, or Within Urban Villages Containing SAODs</b>	<b>Within Urban Centers, or Within Urban Villages Containing SAODs if Growth Targets Have Been Exceeded</b>
SF, RSL	4	4	4
LR1	4	200 <sup>(1)</sup>	20
LR2	6	200 <sup>(1)</sup>	20
LR3	8	200 <sup>(1)</sup>	20
NC1, NC2, NC3, C1, C2	4	200 <sup>(1)</sup>	20
MR, HR, SM	20	200 <sup>(1)</sup>	20
Downtown zones	NA	250 <sup>(1)</sup>	20
Industrial zones	4	4	4
Notes: SAOD = Station Area Overlay District. Urban centers and urban villages are identified in the Seattle Comprehensive Plan.			
1. New residential development or the residential portion of new mixed-use development located in an urban center, or in an urban village that contains a SAOD is categorically exempt from SEPA as indicated, unless the Department has determined that residential growth within the urban center or urban village has exceeded exemption limits for the center or village that the Department has established pursuant to subsection 25.05.800A.1.i.			

<b>Table B for 25.05.800: Exemptions for Non-Residential Uses</b>			
<b>Zone</b>	<b>Non-Residential Uses</b>		
	<b>Exempt Area of Use (square feet of gross floor area)</b>		
	<b>Outside of Urban Centers, and Outside Urban Villages Containing SAODs</b>	<b>Within Urban Centers, or Within Urban Villages Containing SAODs</b>	<b>Within Urban Centers, or Within Urban Villages Containing SAODs if Growth Targets Have Been Exceeded</b>
SF, RSL, LR1	4,000	4,000	4,000
LR2, LR3	4,000	12,000 <sup>(1)</sup> or 30,000	12,000
MR, HR, NC1, NC2, NC3	4,000	12,000 <sup>(1)</sup> or 30,000	12,000
C1, C2, SM zones	12,000	12,000 <sup>(1)</sup> or 30,000	12,000
Industrial zones	12,000	12,000	12,000
Downtown zones	Not Applicable	12,000 <sup>(1)</sup> or 30,000	12,000
Notes: SAOD = Station Area Overlay District. Urban centers and urban villages are identified in the Seattle Comprehensive Plan.			
Footnote (1): New non-residential development that is not part of a mixed-use development and that does not exceed 12,000 square feet is categorically exempt from SEPA. New non-residential development that does not exceed 30,000 square feet and that is part of a mixed-use development located in an urban center or in an urban village that contains a SAOD is categorically exempt from SEPA, unless the Department has determined that employment growth within the urban center or urban village has exceeded exemption limits for the center or village.			

### ***Threshold Status for Non-Residential Uses in Mixed-Use Developments***

None of the affected areas have met or exceeded their employment growth estimates nor the 90%-of-estimate cushion level. Therefore, the “infill development” threshold level of 30,000 square feet for non-residential uses in a mixed-use development is in effect in all of the identified Urban Centers and Urban Villages with Station Area Overlay Districts.

***Threshold Status for Residential Uses in Mixed-Use Developments***

The following locations are where the highest SEPA residential review thresholds, indicated in the middle column of the tables above, are in effect:

<b>Growth Areas Where SEPA Residential “Infill Development” Threshold Levels Are in Effect</b>	
<b><u>Urban Centers</u></b>	<b><u>Urban Villages with Station Area Overlay Districts</u></b>
<b>Northgate</b>	<b>North Beacon Hill</b>
<b>South Lake Union</b>	<b>North Rainier</b>
	<b>Rainier Beach</b>

Certain growth areas have exceeded their residential growth estimates or achieved the 90%-of-estimate level that is within the “cushion.” Therefore, the 20-dwelling unit SEPA exemption levels apply to residential uses in the Urban Centers and Urban Villages listed below:

<b>Growth Areas Where SEPA Residential “Infill Development” Threshold Levels Are Not in Effect</b>	
<b><u>Urban Centers</u></b>	<b><u>Urban Villages with Station Area Overlay Districts</u></b>
<b>Downtown</b>	<b>Roosevelt</b>
<b>Uptown</b>	<b>Columbia City</b>
<b>First Hill/Capitol Hill*</b> *includes the Pike/Pine, Capitol Hill, First Hill, and 12 <sup>th</sup> Avenue “Urban Center Villages”	<b>Othello</b>
<b>University District*</b> *includes the University District Northwest and Ravenna “Urban Center Villages”	

BE ADVISED:

DPD staff will strive to provide accurate and up-to-date information about the applicable SEPA review thresholds. However, applicants should note that SEPA review thresholds may change in these affected areas (Urban Centers, and Urban Villages that contain a light rail Station Area Overlay District). It is the applicant’s responsibility to be timely in submitting application materials, per vesting rules.

DPD staff shall not be obligated to schedule intake appointments in a manner that would meet an applicant’s specific timeframe objectives in regard to SEPA environmental review thresholds.